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Agri-View

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INTENDED MINNESOTA SOYBEAN ACREAGE UP 4 PERCENT FROM 2005

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(NOTE: The acreage that farmers actually plant in Minnesota may change from those published in this report due to many factors, including availability of credit, commodity prices, changing weather conditions, and the availability of inputs at the time producers must make final planting decisions.)

SOYBEAN growers in Minnesota intend to plant an estimated 7.2 million acres, up 4 percent from the planted acreage in 2005, and down 1 percent from 2004.

IN THIS ISSUE:

CORN growers in Minnesota intend to plant an estimated 7.3 million acres for all purposes, unchanged from last year.

**PLANTING
 INTENTIONS**

SPRING WHEAT planting intentions are estimated at 1.55 million acres, down 14 percent from last year. If realized, spring wheat acreage would be the lowest since 1972.

**HOG AND PIG
 INVENTORIES**

SUGARBEET planting intentions of 508,000 acres are up 17,000 acres from 2005. If realized, sugarbeet acreage would be the largest on record.

OAT planting intentions, at 290,000 acres, are down 6 percent from last year.

**ANALYSIS OF
 GRAIN STOCKS
 AND
 PROSPECTIVE
 PLANTINGS**

Minnesota's **BARLEY** planting intentions fell 32 percent from last year as farmers intend to plant 85,000 acres. If realized, barley acreage would be the lowest on record.

The state's **ALL SUNFLOWER** planting intentions, of 95,000 acres, are down 30 percent from 2005. **OIL SUNFLOWER** planting intentions, of 60,000 acres, are down 15,000 acres from 2005. **NON-OIL SUNFLOWER** planting intentions, of 35,000 acres, are down 25,000 acres from last year.

GRAIN STOCKS

MINNESOTA

Crop	2005 Planted	2006 Intentions	% change previous year
	<i>-1,000 acres-</i>		<i>Percent</i>
Corn	7,300	7,300	unch.
Soybeans	6,900	7,200	+4
All Wheat 1/	1,820	1,585	-13
Spring Wheat	1,800	1,550	-14
Winter Wheat 2/	20	35	+75
Barley	125	85	-32
Oats	310	290	-6
Sugarbeets	491	508	+3
Flaxseed	13	10	-23
Dry Beans	145	115	-21
All Sunflower	135	95	-30
Oil	75	60	-20
Non-Oil	60	35	-42
Canola	55	30	-45
All Hay 3/	2,050	2,000	-2

1/ Durum wheat acres discontinued in 2005 for MN.

2/ Acres planted in preceding fall.

3/ Harvested acres.



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MINNESOTA HOG NUMBERS DOWN 3 PERCENT FROM DECEMBER

Minnesota hog producers had an inventory of 6.4 million hogs and pigs on March 1, 2006, up 2 percent from the year earlier and down 3 percent from the December 1, 2005, figure. Breeding hogs totaled 580 thousand, down 2 percent from a year earlier, and market hogs and pigs, at 5.82 million were up 2 percent from a year ago.

Market hogs in the under 60 pound weight group were slightly up from last year. The 60-119 pound weight group was down 1 percent. Hog numbers in the 120-179 pound group were up 5 percent from last year, and the 180+ pound group was up 7 percent from a year ago.

Minnesota's December 2005-February 2006 pig crop totaled 2.46 million head, down 2 percent from a year earlier and down 5 percent from the September-November 2005 pig crop. The 270 thousand sows that farrowed averaged 9.10 pigs per litter, unchanged from a year ago.

Hog producers in Minnesota intend to farrow 275 thousand sows during the March-May 2006 quarter. If realized this would be down 5 percent from the same period in 2005. Producers intend to farrow 270 thousand sows during the June-August 2006 quarter. If realized, this would be down 4 percent from the same period in 2005.

FARROWING INTENTIONS

Sows To Farrow				
State	Mar.- May 2006	% Change Prev. Yr.	June- Aug 2006	% Change Prev. Yr.
	<u>1,000</u>	<u>Pct.</u>	<u>1,000</u>	<u>Pct.</u>
AR	41	98	40	91
CO	83	108	84	104
IL	210	100	205	100
IN	135	100	145	104
IA	460	105	470	102
KS	87	105	85	102
MI	48	107	48	100
MN	275	95	270	96
MO	170	100	170	100
NE	175	100	175	100
NC	540	98	550	98
OH	79	103	80	103
OK	185	97	190	95
PA	48	102	48	102
SD	83	111	80	113
TX	44	98	48	107
WI	25	100	24	96
Oth Sts 1/	208	101	211	102
US	2,896	101	2,923	100

1/ Individual State estimates not available for the 33 other States.

MARCH 1, 2006 HOG INVENTORIES and DECEMBER 2005-FEBRUARY 2006 FARROWINGS

State	TOTAL		BREEDING		MARKET HOGS & PIGS						SOWS FARROWED Dec. 2005- Feb. 2006			
	Number	2006 As % of 2005	Number	2006 As % of 2005	Under 60 Pounds	60-119 Pounds	120-179 Pounds	180+ Pounds	TOTAL		Number	2006 As % of 2005	Pigs Per Litter	Pig Crop 1/
									Number	2006 As % of 2005				
	<u>1,000</u>	<u>Pct.</u>	<u>1,000</u>	<u>Pct.</u>	<u>-----1,000-----</u>				<u>1,000</u>	<u>Pct.</u>	<u>1,000</u>	<u>Pct.</u>	<u>Number</u>	<u>1,000</u>
AR	270	82	85	100	140	15	15	15	185	76	41	95	9.50	390
CO	820	101	150	107	350	90	80	150	670	100	79	105	8.80	695
IL	4,050	101	420	98	1,280	870	800	680	3,630	102	195	93	9.00	1,755
IN	3,100	103	310	107	1,020	710	560	500	2,790	103	130	100	8.95	1,164
IA	16,300	101	1,100	102	4,670	4,150	3,440	2,940	15,200	101	455	103	9.00	4,095
KS	1,720	102	165	106	520	285	345	405	1,555	102	84	105	8.85	743
MI	960	104	100	100	315	200	175	170	860	105	48	109	9.30	446
MN	6,400	102	580	98	2,240	1,370	1,310	900	5,820	102	270	98	9.10	2,457
MO	2,700	95	345	105	1,085	490	460	320	2,355	93	165	97	9.10	1,502
NE	2,900	105	355	100	1,000	660	490	395	2,545	106	175	100	9.15	1,601
NC	9,500	98	1,020	101	3,400	1,940	1,690	1,450	8,480	98	540	100	9.10	4,914
OH	1,530	102	160	100	550	320	310	190	1,370	102	75	97	9.10	683
OK	2,330	98	360	100	910	360	220	480	1,970	98	190	100	8.60	1,634
PA	1,110	101	100	95	360	280	210	160	1,010	102	47	100	9.90	465
SD	1,440	106	155	107	445	310	280	250	1,285	106	76	106	9.40	714
TX	930	102	100	105	265	190	195	180	830	102	41	95	8.60	353
WI	420	98	50	100	145	90	70	65	370	97	26	108	8.55	222
Other Sts 2/	3,624	101	470	102	1,143	784	667	561	3,154	101	203	102	8.97	1,821
US	60,104	101	6,025	101	19,838	13,114	11,317	9,811	54,079	101	2,840	100	9.03	25,654

1/ Number of pigs born December-February on hand March 1, or had been sold. 2/ Other State estimates include 33 remaining States.

ANALYSIS OF GRAIN STOCKS AND PROSPECTIVE PLANTINGS

March 31, 2006

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The release of the March 31, 2006, report on grain stocks and prospective plantings contains a few surprises. The plantings report showed that farmers intend to plant 78 million acres of corn, down 5% from 2005 and down 4% from 2004. The lowest corn acreage was recorded in 2001, when 75.7 million acres were planted. This drop in acreage is generally attributed to higher cost of production and weather and is not that much of a surprise.

The stocks report reveal a greater use of corn, with disappearance for the December-February period at 2.83 billion bushel. If this is extended a full year, about 11.32 billion bushel will have been used. This increase is due to ethanol and export increases. The level of corn stocks is pegged at 6.99 billion bushel, up 3% from the total one year ago. Of the total stocks, 4.06 billion bushel were stored on farms, with 2.93 billion bushel stored off-farm. Off-farm storage was up 12%.

The planting of soybeans for 2006/2007 was estimated at 76.9 million acres, up 7% from one year ago. This may well be the largest amount of soybeans planted. The upper midwest will record some of the largest increases, with North Dakota at the top of the expected increases. Soybean stocks as of March 1, 2006, were reported at 1.67 billion bushel, up 21% from last year at this time. Stocks stored on farms totaled 872 million bushel, up 10% from last year. Off-farm stocks reported at 797 million bushel are up 36% from last year. Disappearance for December-February is estimated at 834 million bushel, down 10% from last year. If the use pattern persists, the total disappearance could be around 3.3 billion bushel.

The wheat picture includes the influence of weather on winter wheat and other plantings. Total wheat plantings are estimated at 57.1 million acres, down slightly from last year. This is a very low total, probably the lowest since 1972. Winter wheat will account for 41.4 million acres; hard red spring wheat will total about 13.2 million acres, with the remainder in soft red winter and white winter wheat. Durum plantings are expected to be 1.83 million acres, down 34% from last year. This could be the lowest durum planted acreage since the early 1960's.

The impact of the reports is expected to increase corn and wheat prices. The trade expectation was 75 million acres and 80.6 million acres of corn and soybean plantings. The stocks expectation for corn was 6.99 billion bushels and 1.678 billion bushel for soybeans. Both stocks numbers are close to expectations. Wheat stocks were expected to be 972 million bushel, and did come close to this number. Spring wheat planting was reported at 13.9 million acres, down slightly from the 14.4 million acres expected.

At the time of this writing, corn is up 9-10 cents and soybeans are down 8 cents. Wheat is also up 8 cents. If this new information is inserted in FarmDoc-U of Illinois' spreadsheets, it appears that the new corn price expectation will increase from \$2.01 to \$2.39 per bushel for 2006/2007. Assuming a normal 40 cent range, this puts marketing targets for the upper one-third of the expected range at \$2.60-2.80 per bushel. Three dollar corn is a distinct possibility. The same analysis for soybeans yields an expected price of \$5.15 per bushel for 2006/2007, down from \$5.37 per bushel for 2005/2006. The marketing plan for soybeans with a \$.75 to \$1.00 range should look at prices at about the \$5.60-\$5.80 range. Wheat prices could be volatile, with winter wheat yield affected by dry wheat in Texas and Oklahoma. Prices from \$4-5 could become sustainable given the market conditions.

MINNESOTA CORN AND SOYBEAN GRAIN STOCKS UP FROM LAST YEAR

The Minnesota March 1 Grain Stocks Survey estimated **CORN** stored in all positions at 854.8 million bushels, up 13 percent from a year earlier. On-farm storage of 630 million bushels accounted for 74 percent of the total.

SOYBEAN stocks in all positions were 188.4 million bushels, an increase of 27 percent from March 1, 2005. On-farm stocks at 120 million bushels accounted for 64 percent of the total.

All **WHEAT** stocks in all positions, at 43.9 million bushels, were down 24 percent from March 1, 2005. On-farm stocks, at 22 million bushels, accounted for 50 percent of the total.

MARCH 1 MINNESOTA & U.S. GRAIN STOCKS

COMMODITY	ON FARM		OFF FARM		TOTAL ALL POSITIONS		% CHANGE 2005
	2005	2006	2005	2006	2005	2006	

-1,000 BUSHELS-

MINNESOTA

CORN	570,000	630,000	188,819	224,844	758,819	854,844	+13
SOYBEANS	105,000	120,000	43,814	68,434	148,814	188,434	+27
ALL WHEAT	35,000	22,000	23,100	21,937	58,100	43,937	-24
BARLEY	3,200	1,800	20,919	15,630	24,119	17,430	-28
OATS	5,300	5,100	10,054	10,497	15,354	15,597	+2

UNITED STATES

CORN	4,137,000	4,055,000	2,619,334	2,932,178	6,756,334	6,987,178	+3
SOYBEANS	795,000	872,000	586,364	796,555	1,381,364	1,668,555	+21
ALL WHEAT	304,710	256,000	676,681	716,240	984,391	972,240	-27
BARLEY	79,680	68,400	111,001	98,164	190,681	166,564	-13
OATS	43,500	41,900	38,946	32,812	82,446	74,712	-9

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